

**7/26/78**

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Blumenthal to Pres. Carter, w/attachments 7 pp., re: Exports to Soviet Union	7/25/78	A

## FILE LOCATION

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THE PRESIDENT'S SCHEDULE

Wednesday - July 26, 1978

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8:15 Mr. David Aaron - The Oval Office.

8:45 Mr. Frank Moore - The Oval Office.

9:00 Photographs with Democratic Congressional Candidates.  
(15 min.) (Mr. Frank Moore) - The Oval Office.

9:30 Presentation of the Presidential Medal of Freedom  
(10 min.) to Honorable Arthur J. Goldberg - The Oval Office.

10:30 Mr. Jody Powell - The Oval Office.

11:15 Meeting to Discuss Health Issues. (Mr. Stuart  
(20 min.) Eizenstat) - The Cabinet Room.

12:00 Lunch with Congressman Richard Bolling - Oval Office.  
(30 min.)

1:15 Meeting with Governor Jerry Apodaca. (Mr. Jack  
(20 min.) Watson) - The Oval Office.

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

Jerry Rafshoon

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Hamilton Jordan  
Tim Kraft  
Jody Powell

FUNDRAISING

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
/	JORDAN
/	KRAFT
	LIPSHUTZ
	MOORE
/	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
/	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE  
WASHINGTON

7/25/78

Mr. President:

Hamilton concurs with Jerry.

Jody's comment: "If the President won't let it be a salute to him, what about Ham, Lester Maddox and me. We all have birthdays about the same time."

Tim Kraft is out of town.

Rick

THE WHITE HOUSE  
WASHINGTON

July 25, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON *JR*

As you know, the DNC plans a large fundraising dinner on September 27 in Washington.

Evan Dobelle has asked me to get some talent for this and we are trying for Barbra Streisand, Diana Ross, Steve Martin, Alan King, among others. We are planning for two performers and then you.

The best way to make this a real success is to bill it as a Birthday Salute to the President. Before you say no (you killed this idea last year), I want to say it would not be a public media event as much as it would be a Democratic Party function. It will be covered but would not be a TV special as we talked about last year. It would enhance tickets sales as well as get top flight talent to come and perform. It is close to your birthday and I am sure its success would be equated with your popularity and would help in many ways.

I told Evan that I would get an answer as soon as possible.

\_\_\_\_ Approve

\_\_\_\_ Disapprove

*I don't like my  
being part of any  
program to honor  
myself  
J*

THE WHITE HOUSE  
WASHINGTON

July 21, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON

JR

Jody

you  
Commitment  
needed

Today - Tues 7/2

WU

As you know, the DNC plans a large fundraising dinner on September 27 in Washington.

Evan Dobelle has asked me to get some talent for this and we are trying for Barbra Streisand, Diana Ross, Steve Martin, Alan King, among others. We are planning for two performers and then you.

The best way to make this a real success is to bill it as a Birthday Salute to the President. Before you say no (you killed this idea last year), I want to say it would not be a public media event as much as it would be a Democratic Party function. It will be covered but would not be a TV special as we talked about last year. It would enhance ticket sales as well as get top flight talent to come and perform. It is close to your birthday and I am sure its success would be equated with your popularity and would help in many ways.

I told Evan that I would get an answer as soon as possible.

✓ Approve Disapprove

If the President won't let it be  
a salute to him, what about HAM, LESTER  
MADDOX and me. We all have birthdays about  
the same time. ~~if think the man is hard~~  
JR



THE WHITE HOUSE  
WASHINGTON

7-26-78

To Anne Wexler

Set up immediately  
a meeting of key  
religious leaders (20-30)  
to get their help on  
foreign aid. In  
White House - Jill  
participate.

JC

THE WHITE HOUSE  
WASHINGTON

7-26-78

To Anne Wexler

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a meeting of key  
religious leaders (20-30)  
to get their help on  
foreign aid. In  
White House - I'll  
participate.

JC

cc: Phil Wise  
Fran Voor DE


7:30 PM

THE WHITE HOUSE

WASHINGTON

July 26, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON   
SUBJECT: DINNER WITH EXECUTIVES OF NBC AND  
JACK GERMOND AND JULES WITCOVER  
WEDNESDAY, JULY 26, 1978, 7:00P

BACKGROUND:

This is the second in a series of informal dinners that you have agreed to host for national media figures. This group is composed of the executives of NBC and Jules Witcover and Jack Germond.

PARTICIPANTS:

Mr. and Mrs. Fred Silverman (Kathy)

Fred Silverman was named President of NBC about six months ago and assumed the position two months ago. He replaced Herb Schlosser. He came to NBC from ABC where he was head of programming. Silverman is in his mid-40's and has spent his entire career in television. He is very research-oriented and has done a lot of work in the area of public attitudes toward television. He began his career as head of daytime programming for CBS; was promoted to head of programming at CBS; and then moved to ABC. Silverman is the "biggest talk" in television today. He brought CBS to #1 in entertainment; then brought ABC to #1; and has now moved to NBC. He is the trendsetter in television. He's a "street fighter" type and a maverick.

Mr. and Mrs. Les Crystal (Toby)

Les Crystal was named President of NBC News about six months ago. Silverman has decided to keep him in that position. He began his television career as Executive Producer of NBC News.

Mr. and Mrs. John Chancellor (Barbara)

John Chancellor began his career in television in 1950. He served as head of the Voice of America during 1966 and 1967. He became anchor for the evening news in 1970 upon the retirement of Chet Huntley. He was joined by David Brinkley as co-anchor in June 1976.

Mr. and Mrs. David Brinkley (Susan)

David Brinkley began his career with NBC radio in 1943. He became the local Washington reporter on the John Cameron Swazey report. He gained prominence when he covered the 1956 Democratic and Republican conventions, and in October 1956 he went on the air with the evening news with Chet Huntley. After Huntley's retirement in 1970 Brinkley left the news to do special commentary. In June 1976 he joined John Chancellor as co-anchor for the NBC Nightly News.

Mr. and Mrs. Jack Germond (Barbara)

Jack Germond and Jules Witcover began their syndicated column March 1, 1977. They are syndicated by the Chicago Tribune/NY News.

Mr. and Mrs. Jules Witcover (Marian)

Author of MARATHON. Began syndicated column with Jack Germond in March, 1977.

cc: Mrs. Carter  
Gretchen Poston

# the christian CENTURY

JUNE 21-28, 1978



## Conversation with Michael Harrington

James R. Gorman

## Ethics, Economics and the Farm Protest

Timothy Miller

## Disarmament and Public Support

## Church Women United's Urban Causeway



INDEX: JANUARY-JUNE, 1978



1:15 PM

THE WHITE HOUSE  
WASHINGTON

①

MEMORANDUM FOR THE PRESIDENT

FROM: TIM KRAFT  
JIM GAMMILL *for C*

SUBJECT: Appointment with Governor Jerry Apodaca  
July 26 at 1:15 p.m.

You are scheduled to meet with Governor Jerry Apodaca because of a memorandum to you of June 13, 1978 concerning The President's Council on Physical Fitness and Sports in which you approved his appointment as Chairman of the Council, and you asked to see him. You should ask Governor Apodaca to serve as Chairman of the Council, and explain that you need him to devote twenty or twenty-five days a year to this activity.

You also might wish to discuss the types of members that you each would like to see for the fourteen member Council, as well as any particular areas that you would like to see the Council emphasize, such as preventative health care or recreation in the inner cities.

We will meet with Governor Apodaca before he sees you in order to brief him on the general responsibilities of the Council and its Chairman. We will also make him aware of the many people who have expressed interest in serving on the Council. The Executive Director will participate in this staff briefing.

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Frank Moore  
Jim McIntyre

REWRITE OF COMMUNICATIONS ACT



THE WHITE HOUSE  
WASHINGTON

7/26/78

Mr. President:

Congressional Liaison comments  
that Senator Hollings must  
be carefully consulted.

No other staff comments.

Rick

THE WHITE HOUSE

WASHINGTON

July 20, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT  
RICK NEUSTADT

*Stu*

SUBJECT:

Re-write of the  
Communications Act

In June, Chairman Lionel Van Deerlin of the House Communications Subcommittee introduced a massive and controversial bill to replace the Communications Act of 1934, which sets the framework for regulation of broadcasting, telephones, and other communications systems. The themes of the new bill are in line with your regulatory philosophy: less regulation and more reliance on market forces and competition. The bill's highlights include the following:

(1) Broadcasting

The bill deregulates radio, eliminating the legal principle that operators are public trustees and leaving them free to decide what to broadcast (except for obscenity). Regulation of TV is reduced, but the public trustee concept is retained.

The bill reduces the number of radio and TV stations any company can own from 21 to 10 and limits each owner to one station per market. This would increase diversity and facilitate ownership by minorities, but the effect would be gradual because the limits would become effective only as current owners sell their stations.

The bill requires all commercial broadcasters to pay fees to the government, on the theory that the airwaves constitute a valuable resource that the public owns. This provision covers microwaves and satellites as well as radio and TV. The fees to be generated are estimated at over \$300 million per year.

(2) Telephones and Cable TV

The bill would eliminate FCC regulation of cable TV and lift the ban on telephone companies providing cable TV. These steps would encourage growth of cable TV -- meaning more choices for viewers -- and would respond to the recently-invented technology that allows a single line to carry both telephone and television.

The bill extends the current movement toward competition in the telephone industry by opening most services to competition. To keep local rates affordable, especially for expensive-to-serve rural areas, it requires both the existing phone companies and the new competitors to contribute to a government-supervised pool.

Overruling a 20 year old antitrust decree, the bill allows AT&T to offer the wide range of new computer services related to communications. This step would increase the range of products available to consumers. To offset the resulting antitrust problems, the bill would force AT&T to divest Western Electric, the huge subsidiary that makes telephone equipment. (This would resolve major issues in Justice's big antitrust case against AT&T.)

### (3) Reorganization

The bill cuts the FCC from seven members to five and renames it the "Communications Regulatory Commission" (CRC).

The EOP Reorganization gave Commerce lead responsibility for communications policy and created an office there under Assistant Secretary Henry Geller. The bill would make that unit a free standing agency, like EPA. The new agency would assume Commerce's functions of developing communications policy and assigning radio frequencies to Federal agencies. In addition, to provide more coordinated planning, the new unit would be given certain FCC authority over frequencies used by the private sector. The new unit would also administer loan programs for communications facilities for minority groups and rural areas.

### Reactions of Affected Groups

The bill contains both plusses and minusses for each of the industries it affects, and the general reaction has been cautious. Early indications are that radio broadcasters, small phone companies, and the computer industry favor the bill; AT&T and the Communications Workers oppose divestiture of Western Electric and are uncertain about the rest; and TV broadcasters, cable TV, and the film industry tend to oppose it. Public interest groups support increasing competition and diversity but oppose deregulation of broadcasting.

The Senate communications leaders and the House and Senate leadership have been silent so far, except that they are against reducing the regulations on broadcasters' coverage of political campaigns. (We think they would go along with changing the rules on Presidential campaigns, and we are preparing a memo for you on that, but they are not likely to change the rules on their own races.)

This bill faces the same kinds of problems as airline and trucking reform. Most of the affected companies are comfortable with the regulators and fear competition. On the other hand, the bill does have some support, and all those affected recognize that technological advances are making the current structure more and more outmoded. It should be possible to pass some reform legislation in this area, especially if the Administration gets involved.

#### Proposed Strategy

We and Commerce worked quietly with the subcommittee staff while they drafted the bill, but the Administration has not taken any public position. This bill will be among the most visible and important regulatory reform initiatives in Congress next year, and much of it is clearly in the public interest. It is rare for a subcommittee chairman to attempt serious regulatory reform, and Van Deerlin deserves credit and cooperation for trying. However, both the substance and the politics need more study. In any case the sponsors plan to introduce a revised version next year, based on the hearings they are holding this summer. We therefore suggest the following strategy:

- July-Sept. Commerce and Justice testify at the hearings. They would take stands consistent with your regulatory philosophy and make suggestions on the details. They would not, however, commit to positions on the key, controversial issues, such as divestiture of Western Electric.
- Oct.-Nov. discuss the bill with Hill leaders, industries, unions, etc. and assess its chances and the areas that may need modification.
- Dec. give you an options paper on the level of Administration involvement and on the major issues.

This approach would preserve your options while being generally supportive to Van Deerlin's effort. We have discussed this approach with the interested agencies (OMB, Commerce, Justice, and State), and they concur.

Approve ✓

Disapprove \_\_\_\_\_

ID 783712

THE WHITE HOUSE

WASHINGTON

DATE: 20 JUL 78

FOR ACTION: FRANK MOORE (LES FRANCIS)

*Mumt consent <sup>ell/</sup>for long & fully; he cannot just  
left out.*

INFO ONLY: THE VICE PRESIDENT

JACK WATSON

ANNE WEXLER

LANDON BUTLER *nc*

SUBJECT: EIZENSTAT MEMO RE REWRITE OF THE COMMUNICATIONS ACT

+++++  
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
+ BY: 1200 PM SATURDAY 22 JUL 78 +  
+++++

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

ID 783712

THE WHITE HOUSE

WASHINGTON

DATE: 20 JUL 78

FOR ACTION: FRANK MOORE (LES FRANCIS)

*Handwritten mark resembling a stylized 'n' or 'r'.*

INFO ONLY: THE VICE PRESIDENT

JACK WATSON

ANNE WEXLER

LANDON BUTLER

SUBJECT: EIZENSTAT MEMO RE REWRITE OF THE COMMUNICATIONS ACT

+++++  
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
+ BY: 1200 PM SATURDAY 22 JUL 78 +  
+++++

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ☒ ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE  
WASHINGTON

C

July 26, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

*F.M.*

At 2:45 the Senate refused to table the Case-Javits-Moynihan Rhodesia amendment by a vote of 57 to 39. It subsequently passed this amendment by a vote of 59 to 36. Now pending is the Helms Rhodesia amendment. The vote should come between 5:00 and 5:30. Both Senator Byrd and Senator Baker support the Helms amendment. The vote will be close.

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

Secretary Kreps

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

REGULATIONS TO PROTECT SEA TURTLES

bcc: Stu Eizenstat  
Jack Watson





THE SECRETARY OF COMMERCE  
Washington, D.C. 20230

JUL 26 1978

"FYI"

cc Juanita  
J

MEMORANDUM FOR THE PRESIDENT

Subject: Regulations to Protect Sea Turtles

A few weeks ago, members of the conservation community raised the subject of protection of sea turtles with you, and you indicated a personal interest in the subject. I, therefore, would like to inform you of a number of significant decisions which will be announced publicly on Wednesday, July 26.

The National Oceanic and Atmospheric Administration (NOAA) and the Department of the Interior have developed a program which will protect green, olive (Pacific) ridley, and loggerhead turtles, by largely banning the intentional killing of these animals, prohibiting trade of turtle meat and products, and preserving habitat. This action is being taken under the Endangered Species Act.

The elements of the comprehensive program include:

- (1) designating some populations of these turtles as endangered and others as threatened;
- (2) enhancing our efforts to develop excluder trawls that will permit fishermen to catch shrimp while reducing the number of turtles accidentally caught in nets;
- (3) designating critical habitats and certain other areas where fishing will be restricted;
- (4) banning trade in turtle products including importation from mariculture operations; and
- (5) banning or restricting subsistence taking of sea turtles.

We have worked closely with the conservation community and the shrimp industry in developing this program. We believe our regulations will be acceptable to most elements of these communities. Interested members of Congress have been briefed.

The regulations will impose restrictions on the shrimping industry. However, we believe that gear requirements in particular, which will exclude turtles from shrimp trawls, will have only minimal effect on shrimp catches. The overall program is designed to prevent a crisis from developing at some later date.

I will keep you informed of any further developments.

*Juanita*  
Juanita M. Kreps

The President  
The White House  
Washington, D.C. 20500

Good. I've been involved personally  
in this in the past. Feral hogs  
and raccoons on the Southeastern  
coasts are big threats. Black bear  
Island managers collect eggs &  
incubate them. We used to re-bury  
eggs within small wire enclosures.  
Combat with Cecil's game & fish  
people to coordinate efforts -

J.C.

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

Frank Moore

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the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

CIVIL SERVICE REFORM UPDATE

THE WHITE HOUSE  
WASHINGTON

July 25, 1978

*What ~~should~~ do we  
have on Turkey?  
F. Aid?*

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *fm/TS*  
LES FRANCIS  
TERRY STRAUB *TS*

SUBJECT:

Civil Service Reform Update

The following activities are planned for the next two weeks prior to the House vote on Civil Service:

1. Legislative Aides Briefings - On Friday, July 28, and again on Monday, July 31, we will be inviting legislative aides responsible for tracking Civil Service Reform from each of 250 Democratic Members' offices to the White House for a briefing on the bill. Scotty Campbell will give the briefing and will be joined by the Vice President as well as several members of the senior White House staff.
2. Member Briefings - There will be two Member briefings at the White House. The first will concentrate on thirty or so Democratic Members who we will ask to act as a "core group." They will be our advocates on the floor on the bill and on specific issues. This briefing will be on Tuesday, August 1, in the Cabinet Room. The second briefing will be held the following Tuesday (August 8) with 100-150 members of both parties we have identified as "undecided." Scotty will brief both groups and will be joined by Jim McIntyre as well as senior White House staff. We have requested time on your schedule for both Member briefings.
3. EOP/White House Staff Briefing - This Friday we will brief all EOP and White House staff on the particulars of the bill. This briefing will be geared primarily to those individuals who spend a good deal of time on the Hill on other matters.

Other:

By tomorrow (Wednesday), we will have our first headcount of the full House. We will single out undecided Members and forward their names to those coordinating the public "outreach" so they may target their efforts to specific individuals.

In addition, we will use this list to break out specific assignments for the Cabinet (by sorting undecideds by authorizing and appropriating committees).

The tentative dates for House action will likely be August 9 or 10. On August 8, we will be seeking a rule from the Rules Committee to strip the Hatch Act and Firefighters Act off the bill. Initial probes to members of the Rules Committee on this have been encouraging.

THE WHITE HOUSE  
WASHINGTON  
July 26, 1978

Frank Moore

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

REQUEST TO CALL GEORGE MAHON

Frank -

Jim Wright -

is working one on  
one - See him re  
Turkey

---

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE *fm.*

SUBJECT:

REQUEST TO CALL CHAIRMAN GEORGE MAHON

TALKING POINTS

1. I know that your mark-up is scheduled for tomorrow morning on Defense Appropriations. I am particularly concerned that we make our best effort to delete the CVN. Accordingly, I would ask you to consider rescheduling your mark-up for sometime next week.
2. I know too that Congressman Burlison (D-Mo) will be offering the specific amendment to substitute for the CVN funding a lesser amount for a CVV. While I would prefer simply to delete the CVN, I support the Burlison approach, I realize your position as subcommittee chairman precludes you from introducing such an amendment, but I know your leadership will be critical in the success or failure of the Burlison amendment.
3. I know you too would prefer to delete the CVN, and I hope you will be able to give strong endorsement to our effort in the committee's deliberations. I have asked the Department of Defense and Frank Moore to be sure that the members of your committee are aware of my support for the Burlison amendment.

"Veto Auth bill - Then no  
appropriation - will do what can  
be done. difficult"

THE WHITE HOUSE  
WASHINGTON

July 26, 1978

FOR THE RECORD:

Frank Moore was given a copy  
of the attached this am.



THE WHITE HOUSE  
WASHINGTON

7/25/78

Mr. President --

Frank Moore suggests that you might want to open your conversation with Muskie (recommended telephone call?) saying something to the effect that you appreciate his help with the budget today....or, you appreciate his support for Jim McIntyre today.

--SSC

*Frank - Done*  
*J*

"THE WHITE HOUSE  
WASHINGTON

July 24, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

FRANK MOORE

SUBJECT:

Call to Senator Muskie on Lobby Reform

*a) Will not block bill  
in committee  
b) Open votes desired  
c) Problem is with  
quorum*

*d) He's trying to get  
Cranston to compromise  
re Veterans pref. on  
Pw Serv legis. Will  
keep me informed*

The Senate Governmental Affairs Committee will resume markup of the lobby reform bill on Wednesday, 7/26, and it is important that you call Senator Muskie and ask for his cooperation in committee.

BACKGROUND

The lobby reform bill passed the House by a substantial margin, and if all goes well it can be reported from the Senate Governmental Affairs Committee by Wednesday or Thursday of this week. Chairman Ribicoff has been the chief sponsor of the bill being considered in committee (S. 2641). This bill is far too "disclosure oriented" for Senators Muskie and Mathias, and they introduced another bill (S. 2026) which would not have required disclosure from as many lobbying groups as the Ribicoff bill. Although the Muskie-Mathias bill was not adopted as the markup vehicle in committee, Muskie and Mathias have been working to weaken the Ribicoff bill (although Muskie has not attended any of the markup sessions, his aide, Jim Davidson, has been the key player in organizing these weakening amendments). In the first markup several months ago, the Muskie-Mathias forces won a major victory in raising the threshold for lobby registration, thereby excluding a number of smaller groups.

Although we also believe the Ribicoff bill goes too far in certain respects and have been working with the Ribicoff staff on a more moderate approach, we believe the Muskie-Mathias provisions would cripple the lobby registration bill.

At the moment, the critical problem is getting the bill reported from committee. If Mathias and Muskie lose on

their amendments in committee, it is important that they not try and prevent it from being reported to the floor (some groups they are working with, such as business and the ACLU, may try to kill the bill). Even if they continue to win on other key amendments in committee, we believe we can reverse them on the Senate floor. A phone call from you is needed to tell Muskie of the importance of this legislation, and ask him not to block reporting of the bill from committee.

TALKING POINTS

- As you know, the Governmental Affairs Committee is scheduled to resume markup of the lobby reform bill on Wednesday morning.
- I know you have strong opinions about the bill, and that your staff and Senator Mathias' staff have worked to change the Ribicoff bill. I know that when markup first began, you won a major victory in excluding smaller groups from coverage under the bill (the amendment raised the "threshold" requiring registration of organizations which lobby Congress).
- The lobby reform legislation is a priority item for the Administration, and we very much want to see a new and effective lobby disclosure bill passed this session. Not only would a new law be good for the country, but it would be good for Democrats to run on in the upcoming election.
- Senator Ribicoff has indicated he would like to try to minimize the number of amendments in committee, and I hope it will be possible to do this.
- Especially important, I want to ask you to not block reporting of the bill from committee, whatever happens with the votes on Wednesday. Can I count on your cooperation?

THE WHITE HOUSE  
WASHINGTON  
July 26, 1978

Frank Moore

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the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

RE: PHONE CALLS ON GREECE TURKEY

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE  
WASHINGTON

C  
/

CONGRESSIONAL TELEPHONE REQUEST

TO: Senator Robert Byrd ✓  
Senator Howard Baker (R-Tenn) ✓  
Senator Lloyd Bentsen (D-Tex) ✓  
Senator George McGovern (D-S. Dak) ✓  
Senator John Chafee (R-R.I.) ✓  
Senator Paul Sarbanes (D-Md)

DATE: July 25, 1978

RECOMMENDED BY: Frank Moore *F.M./ER*

PURPOSE: To thank them for their vote on Greece/Turkey

also: Clark Clifford

Date of Submission: July 25, 1978

THE WHITE HOUSE

WASHINGTON

July 25, 1978

LUNCH WITH REP. RICHARD BOLLING (D-5-MO)

Wednesday, July 26, 1978

12:00 Noon (30 minutes)

The Oval Office

From: Frank Moore

*J.M. / P d*

I. PURPOSE

To discuss Rep. Bolling's impressions of the last foreign affairs seminar and the upcoming legislative agenda.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: Following the last foreign affairs seminar, Rep. Bolling spoke with the Speaker about how beneficial he thought the meeting had been and mentioned that he would like an opportunity to discuss the meeting and other issues with you.

The Speaker and Dick Bolling have a long-standing friendship. Next year, Rep. Bolling will probably be chairman of the Rules Committee, and as such, will be an arm of the Leadership. His wife Jim, a member of the Johnson Administration HEW congressional liaison team, takes an active role in his political and legislative duties. She has called and suggested that we might be interested in including Dick in our Leadership meetings next year. We think that is Tip's decision.

Rep. Bolling has several times in the past tried to seek elective House positions. Most recently, he was a serious contender in a 4-way (Jim Wright, Phil Burton, Dick Bolling, and John McFall) race for Majority Leader which Jim Wright won. Rep. Bolling lost by 3 votes; most of his support came from the liberals and moderates.

Last summer Rep. Bolling suffered a mild heart attack but seems to be doing fine.

Participants: The President, Rep. Bolling, Frank Moore, and Bill Cable.

Press Plan: White House Photographer.

### III. TALKING POINTS

#### Turkish Arms Embargo

Rep. Bolling is with the administration on this issue. You should emphasize the importance of the vote and urge Bolling to take an active role during floor debate.

#### Foreign Aid

Rep. Bolling has been a consistent supporter of foreign aid. Given the trouble the foreign assistance bill is in this year, Bolling's active participation in fending off crippling amendments will be very helpful. You should ask him to help us, specifically on the issue of additional funding cuts for IFI's.

#### Civil Service Reform

Rep. Bolling has a particular problem on the issue of the Hatch Act because Rep. Bill Clay, also from Missouri, is the prime supporter of including the Hatch Act. Rep. Bolling is looking for ways of being helpful without doing serious damage with the rest of his delegation.

#### Airline Deregulation

Rep. Bolling is also walking a similar tightrope with regard to airline deregulation/airline noise. He is trying to be supportive without alienating a major constituency represented by the fact that TWA is headquartered in Kansas City.

#### Hill Activities

You might want to pursue with Rep. Bolling some of his ideas on your making appearances on the Hill, such as a meeting with the Democratic Caucus or with the Whips. He is specifically interested in your going to the Hill to drop by a birthday party or reception for a key member.



9:30 AM

THE WHITE HOUSE  
WASHINGTON

July 25, 1978

AWARD CEREMONY FOR THE MEDAL OF FREEDOM

Wednesday, July 26, 1978  
9:30 a. m. (10 minutes)  
The Oval Office

From: Greg Schneiders **GS**

I. PURPOSE

To confer the Presidential Medal of Freedom on  
Ambassador Arthur J. Goldberg.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: The text of the citation accompanying  
the medal is at Tab A. The Military Aide will  
have the original citation and the Medal of  
Freedom. I would recommend that, following your  
informal remarks of greeting, the citation be  
read. You would then present the Medal of  
Freedom to Ambassador Goldberg (the Aide will  
assist you in the arranging of the Medal and its  
sash.)

B. Participants: Ambassador Goldberg, Mrs. Dorothy  
Goldberg, Secretary Cyrus Vance, the invited  
guests (list at Tab B.)

C. Press Plan: The ceremony will be covered by a  
Press Pool. The arrangements will be coordinated  
by the Press Office.

III. TALKING POINTS

See attached memorandum from Griffin Smith, Tab C.



CITATION FOR ARTHUR GOLDBERG

Arthur J. Goldberg, Secretary of Labor, Associate Justice of the Supreme Court of the United States, United States Representative to the United Nations, Ambassador at Large and soldier in World War II. During an eminent career of almost fifty years, Arthur Goldberg has shown his deep commitment to individual human dignity, to peace and to the cause of human rights. As a practicing attorney and counsel for the labor movement, a legal scholar, an educator and a public servant, he has displayed an extraordinary capacity to bring people together, mediate differences, and help solve the pressing problems of our age. By combining idealism and vision with wisdom and common sense, Arthur Goldberg has served his country well.

TAB B

PARTICIPANTS/GUESTS - MEDAL OF FREEDOM CEREMONY

Ambassador Goldberg  
Dorothy Goldberg (wife)

Robert M. Goldberg (son)  
Barbara Sproston Goldberg (daughter-in-law)  
Angus Goldberg (grandson)  
Duncan Goldberg (grandson)  
Esther Goldberg (granddaughter)

Barbara Goldberg Cramer (daughter)  
David Cramer (son-in-law)  
Daniel Cramer (grandson)  
Matthew Cramer (grandson)  
Jesse Samuel (grandson)

Secretary Vance

Warren Christopher - Deputy Secretary of State

Matthew Nimentz - Counsellor - Department of State

George Vest - Assistant Secretary for European Affairs

David Aaron

Spencer Oliver

Senator Claiborne Pell

Congressman Dante Fascell



THE WHITE HOUSE

WASHINGTON

July 25, 1978

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS, *JS* GRIFFIN SMITH

SUBJECT: Presentation of Medal of Freedom to  
Arthur Goldberg -- Talking Points

1. We have assembled here today for the presentation of the Medal of Freedom to Arthur Goldberg. Before reading the citation, I would like to say a few words about the distinguished career of this extraordinary man.

2. The list of his accomplishments reflects the diversity and richness of his life. From 1929 until 1961, he built a reputation as one of this country's foremost labor lawyers. Beginning in 1962 he served successively -- and successfully -- as Secretary of Labor, as Associate Justice of the United States Supreme Court, and as our country's Representative to the United Nations. He was a professor and a private practitioner of law from 1968 to 1977. And he has most recently served, at my appointment, as Ambassador-at-Large and Chairman of the United States Delegation to the Belgrade Meeting of the Conference on Security and Cooperation in Europe. I should add that he has served on more Presidential Commissions than I can possibly enumerate this morning.

3. Simply to list these accomplishments cannot adequately convey the extent and depth of Arthur Goldberg's personal commitments. As Secretary of Labor, he was an exceptional mediator, and he raised the process of negotiation to an art form. As an Associate Justice, he had a perceptive awareness of what the Constitution could mean in the modern world, and his decisions reflect his vision of what this country should be like. As Delegate to the United Nations, he played a major role in the adoption of Resolution 242, he worked for human rights and peace, and perhaps most of all, he worked to strengthen the United Nations as an institution.

4. Nothing so perfectly characterizes Mr. Justice Goldberg's efforts on behalf of human rights as his service at the Belgrade meeting of the CSCE. He pursued a firm yet reasoned review of the commitments undertaken by the signatories of the Final Act, and he helped establish that human rights are a legitimate matter for international discussion.

5. On each occasion in his public service, Arthur Goldberg has shown that he possesses the quality that all of us strive to have: he is an idealist who is eminently practical. (Read citation).



\* THE WHITE HOUSE

WASHINGTON

July 25, 1978

MEETING WITH AMA LEADERSHIP

Wednesday, July 26, 1978

11:15 a.m.

Cabinet Room

From: Stu Eizenstat  
Joe Onek

*Stu*

I. PURPOSE

To discuss with the leadership of the AMA the principles of the national health plan and general health issues.

II. BACKGROUND AND PARTICIPANTS

The AMA has traditionally met with the President, and the AMA leadership has sought a meeting with you for some time. We believe this meeting will help dispel the notion that you are only consulting with Senator Kennedy and organized labor on health issues.

Although the AMA leadership has strongly opposed our cost containment legislation, it is more moderate than the AMA membership. For example, the AMA leadership recently sponsored an AMA Commission on the Cost of Medical Care, some of whose recommendations on HMOs and competition in the health sector ran counter to traditional AMA positions. The AMA House of Delegates has so far declined to endorse many of these recommendations. The leadership has also successfully resisted

attempts by some elements of the membership to withdraw AMA support for any national health insurance approach, including its own conservative bill. Finally, the new President of the AMA, Dr. Tom E. Nesbitt, recently called on physicians to voluntarily limit their increases in charges.

On the other hand, the AMA remains a conservative force strongly opposed to any federal regulations affecting medical practice; their national health insurance principles, for example, call for increased private insurance coverage without significant reforms in the health care system. They are participants in the Voluntary Effort -- the private sector's alternative to our cost containment legislation.

Participants: AMA - Robert B. Hunter, M.D.; Chairman of the Board; Tom E. Nesbitt, M.D., President; James H. Sammons, M.D., Executive Vice President; Bernard P. Harrison, Group Vice President for External Affairs; Paul R. Donelan, Deputy Director, Washington Office. White House - Stu Eizenstat, Anne Wexler, and other members of the staff.

### III. TALKING POINTS

- o The AMA deserves commendation for holding (this week) a joint conference with Senator Kennedy on preventive health. You are expecting a Surgeon General's report on prevention in the fall and are committed to developing new initiatives in this area. You hope your staff and the AMA can work together on prevention.
- o Your national health plan principles will reflect a cautious, phased approach to implementing comprehensive national health care. There will be no abrupt disruptions in the system. The best parts of the current system will not be tampered with. You believe that the AMA will find these principles reasonable and you urge that they publicly support the principles.

- o The principles of the national health plan will be in a directive to Secretary Califano, who will report back as soon as possible with a tentative plan and various options for phasing. At this point, as the principles will demonstrate, you have not made decisions about the specifications of a national health plan. You encourage the AMA to make their views known to the Secretary and to work with him to develop a realistic plan.
- o You are committed to controlling the escalation of health care costs, whether in a national health plan or separately, so that the country can afford, for example, new prevention activities and broader health care coverage. You do not believe a totally voluntary effort in this field will succeed.

N.B.: The rate of rise in hospital costs has decreased over the past few months. Most experts believe, however, that this drop is due to temporary deferrals of capital spending and that costs will rise again, particularly if the pressure of cost containment legislation is removed. (Here the AMA may comment on their request that the Justice Department rule that the Voluntary Effort does not violate anti-trust laws. The Justice Department is now considering the issue.)

- o You are encouraged by the recommendations of the AMA Commission on the Cost of Medical Care, especially those which foster increased competition in the health care sector, such as HMOs. You would like to know how the recommendations are being received by the AMA membership.

9:00 AM

\* THE WHITE HOUSE

WASHINGTON

July 25, 1978

MEETING WITH SEVERAL CONGRESSIONAL CANDIDATES

Wednesday, July 26, 1978  
9:00 a.m. (12 minutes total)  
The Oval Office

From: Frank Moore *FM*

I. PURPOSE

Photo Opportunity with the President.

II. BACKGROUND

Bob Sogge. Bob Sogge is the Democratic candidate for the seat (18 District of California) left vacant by the death of Congressman William Ketchum, against whom Sogge had been running since last February. Sogge is 34 years old and until his run for Congress had been an aide to Democratic State Senator, Walter Stiern. Previously, he had been in the Peace Corps for two years and a Peace Corps recruiter for one year. The District is very large with farming being the key interest, along with oil (Elk Hills is in this District) and defense. The Central Valley of California is one of the most productive farm areas in the world. The 160 acre limitation issue and farm workers' rights are important here. The Kern County headquarters of the UFW are in this District. Sogge will face a state assemblyman, Bill Thomas, who was recently selected by a special district convention. He is a conservative and pro Kemp-Roth which Sogge opposes. (You may want to mention Bobby Smith's recent successful visit to the 18th District).

Norma Bartle. Norma Bartle will be, after July 29, the Democratic nominee against Republican incumbent Robert McEwen in the 30th District of New York. (Although the primary in New York is not until September 12, no one has filed against her; the filing deadline is July 29).

The 30th District includes seven counties in the northernmost reaches of New York State. It is one of the largest districts east of the Mississippi and contains areas that are economically depressed. Ft. Drum is in Jefferson County.

9:12 AM

\* THE WHITE HOUSE

WASHINGTON

July 25, 1978

MEETING WITH SENATE CANDIDATE DON BARNETT OF SOUTH DAKOTA

Wednesday, July 26, 1978

9:12 a.m. (3 minutes)

The Oval Office

From: Frank Moore *F.M.*

I. PURPOSE

Photo opportunity with the President

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background: Barnett is the Democratic candidate for Senator James Abourezk's seat in South Dakota. He will face Congressman Larry Pressler in the general election. Barnett is 35 and the former mayor of Rapid City, South Dakota where he received high marks for his handling of the flood disaster there in 1972. Barnett ran for Congress in 1970 against Jim Abourezk in the 2nd District and lost by 500 votes. He is a Vietnam veteran and a strong backer of benefits for Viet vets. Barnett is running on his record as mayor and against Pressler's emphasis on publicity and public relations rather than substantive issues of interest to South Dakota.

B. Participants: The President and Don Barnett

C. Press Plan: White House photographer

III. TALKING POINTS

A. Usual courtesies.

B. He will be talking to Kathy Fletcher about the Oahe Water Project at 10:00 a.m. today.

Norma Bartle (continued). This is a traditionally Republican district, except for the Democratic voters among the French-Canadian population in Clinton and Franklin Counties. According to Bartle, there are 75,000 unregistered voters in the District.

Bartle, a third-term Oswego County legislator, ran against the incumbent, Bob McEwen, in 1976 and managed to win 46% of the vote. McEwen, a conservative Republican, spent three times as much as Bartle in '76. Although Bartle has the party endorsement and good labor support, she is experiencing fundraising difficulties again this year. She is a viable candidate, but it will be an uphill battle for her.

Ed Firmage. Ed Firmage is a Democratic candidate in the 2nd District of Utah. Firmage is a law professor at the University of Utah. He was one of the first group of White House Fellows and worked for Vice President Humphrey in that capacity for two years. He has been on the faculty at Harvard, a visiting scholar at the UN and is an expert in the areas of constitutional and international law. He has been active in politics having been associated with Senator Frank Moss and former Governor Rampton. Firmage is one of the two Democratic nominees that were selected by the Democratic District convention to compete in the September 12 primary for the right to challenge Republican incumbent Dan Marriott in the general election. Marriott won this seat in 1976 from Congressman Allan Howe who was involved in a sex solicitation case. The District has had four different congressmen elected the past four elections and Firmage, whose campaign is being managed by Kaye Christianson, the Carter Campaign Coordinator for Utah in 1976, feels they have a good shot at Marriott.

Tom Easterly. Tom Easterly (6th District of Kentucky) became the third candidate this year to upset an incumbent Congressman in a primary when he defeated John Breckenridge on May 23, 50.1% to 48.7%. Easterly began his frenetic campaign effort over a year ago, charging that the incumbent was not representing the interests of the district and was rarely visible there. Breckenridge, whose family is well known in the state of Kentucky, entered Congress in 1972 at the age of 59, winning the election 53 - 47%; in 1974, he got 72% of the vote, and in 1976 he had no Republican opponent. However, this year he took Easterly's primary challenge too casually and lived up to his opponent's charges by spending little money and campaigning in the district only on weekends.

Tom Easterly (continued). The district is traditionally Democratic, but the party's strength has been on a decline in recent years because its appeal is strongest in rural counties, which have been losing population. Fayette County (Lexington) in particular--the fastest growing part of the state--has been increasingly Republican in statewide and national elections. What has kept the 30th Congressional seat in Democratic hands thus far has been the weakness of the Kentucky Republican party.

Easterly, 38, is a state senator from Frankfort. He was a Fulbright scholar, and research director for the state AFL-CIO. In the State Senate, he was interested in consumer issues and had a reputation for being a "maverick." His Republican opponent will be State Senator Larry Hopkins. The Republican challenge in general will be stiffer for Easterly than it would have been for Breckenridge. In general, this seat will not be easy to retain.

### III. TALKING POINTS

A. Usual courtesies.

THE CHAIRMAN OF THE  
" COUNCIL OF ECONOMIC ADVISERS  
WASHINGTON

C  
1

July 25, 1978

EYES ONLY

MEMORANDUM FOR THE PRESIDENT

FROM: Charlie Schultze *CLS*  
SUBJECT: June Merchandise Trade Deficit (to be released  
at 9:00 a.m., Wednesday, July 26, 1978)

It's nice to be able to write you a memo with unalloyed good news. The June trade deficit fell to \$1.6 billion from \$2.2 billion in May (which itself was well below the \$3.1 average for the first four months of the year).

Exports rose by \$370 million; \$200 million came in machinery and transport equipment. Exports have now increased for four consecutive months, and for the second quarter as a whole were running 16 percent above a year ago. Imports in June fell by \$270 million; petroleum imports were down \$100 million.

We hope this news will relieve some of the pressure on the dollar in foreign exchange markets. And while several months of improved statistics do not make a trend, the recent data have been in the right direction. The attached chart shows the recent changes in a convenient form.

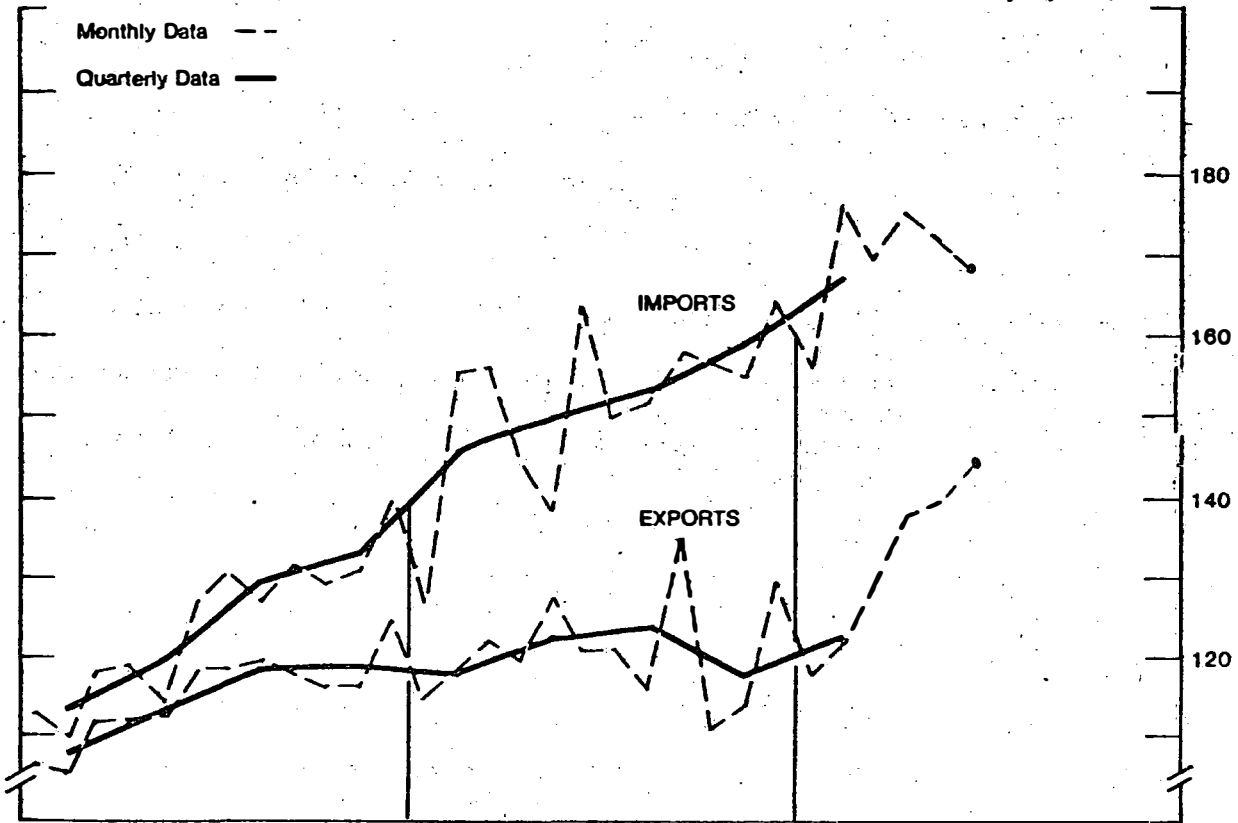
Attachment



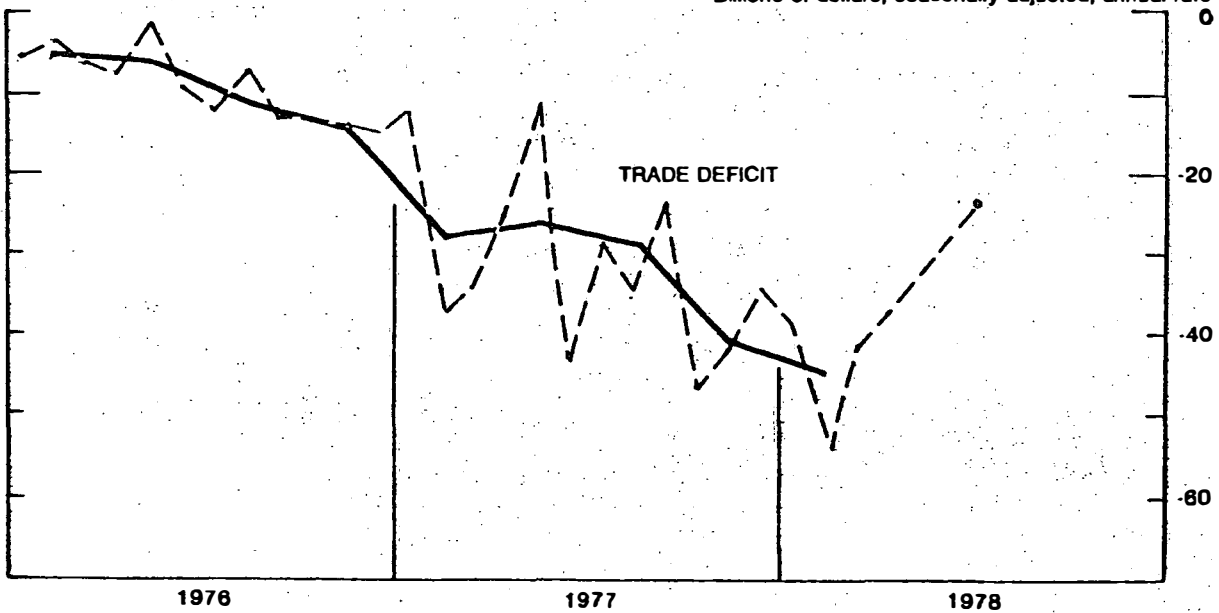
# U.S. Merchandise Trade

International Accounts Basis

Billions of dollars, seasonally adjusted, annual rate



Billions of dollars, seasonally adjusted, annual rate



A Goldberg, Dorothy  
MLK - Jones Salk

- Foremost lawyer  
Sec Lab  
US Supreme Court  
Amb - UN  
Professor  
Amb - Chmn of Del  
Belgrade  
Conf Sec Corp Europe

presentation of medal  
of freedom award to  
Arthur Goldberg  
7/26/78

THE WHITE HOUSE  
WASHINGTON

- > Civil Service Reform H/S ~~blatant~~
- > Airline dereg → H Floor  
Rhodesia - Helms
- > Tax = \$15 bil = Vanik/Priest
- > Hospital lost Containment  
(Nelson?)
- > Me/Cabinet in '78 elections  
Korea  
No link Taiwan/Korea/Japan  
Turkey/Greece (Varosha)  
Budget '79 shortfall
- > Energy

W.H. & Cattleman

7/25/78

THE WHITE HOUSE  
WASHINGTON

72-3-4 No imp quotas

6/8 200 m # yr imp.

> No more imports

> No price controls

Consumer resistance

> Cattle cyclical Theory

'75 132 mil head

'79 112 " "

gov't permit profit?

> Foreign mths inc.

> Iron out cycles

> Analyze cattle herd growth

> Farm profit + \$5-5 1/2 B. 1/78

VP/P statements

Deputy Sec/Ag

THE WHITE HOUSE  
WASHINGTON  
July 26, 1978

Frank Moore  
Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

PROPOSED COMPROMISE ON WATERWAY USER  
CHARGES -- LONG DINNER

	FOR STAFFING
	FOR INFORMATION
✓	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
✓	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
✓	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE  
WASHINGTON

July 25, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT *Stu*

SUBJECT:

Proposed Compromise on Waterway  
User Charges

*Long did not  
indicate interest  
J*

*If other parts  
of bill are  
satisfactory (highly  
doubtful), then  
this ~~may~~ be  
ok*

As you recall from our meeting with Secretary Adams, Senator Long is reportedly willing to accept a compromise on the waterway user charge issue. This compromise would involve two basic elements:

1. A fuel tax rising from 4¢ in FY 1980 to 10¢ in FY 1986.
2. Commitment of this tax to a Waterway Construction Trust Fund.

There would be no direct link between the amount of revenues in the Trust Fund and the amount of spending for waterway construction, so there would be no real lid on spending. But the concept of a Trust Fund (which would recover as much as 25% or more of waterway construction costs at the full 10¢ level) is viewed as an important step toward the goal of future spending limits. In 1981, when Congress considers the results of the DOT user charge study at the time it reauthorizes the Trust Fund, it could directly link Trust Fund revenues to the size of the waterway program.

The mechanism for making a Trust Fund a conferenceable item would be for the House to pass a separate bill or amendment which would be attached to the waterway bill for conference.

The Trust Fund compromise appears to be a constructive first step, and it is almost certainly as much as we can hope to win in this Congress. But in light of our repeated and very strong protests against the pending bills, we may be criticized by environmentalists for not simply vetoing the bill.

It is my understanding that Long would like a signal from the Administration on whether to proceed. He may press you for a commitment tonight. I recommend that you:

- Tell the Senator that the proposal may be acceptable but that you must reserve judgement for the moment. (Even if you are willing to accept the proposal it may be better if you do not directly agree to it before the fact, to avoid being publicly identified with it.)

- Indicate that your ultimate decision on whether to sign the bill will depend crucially on the number, cost and quality of the new water project authorizations that are finally attached to the bill. A marginally acceptable compromise on the user charge issue cannot support very much undesirable new project "freight."